

Wawarsing Buyout Program

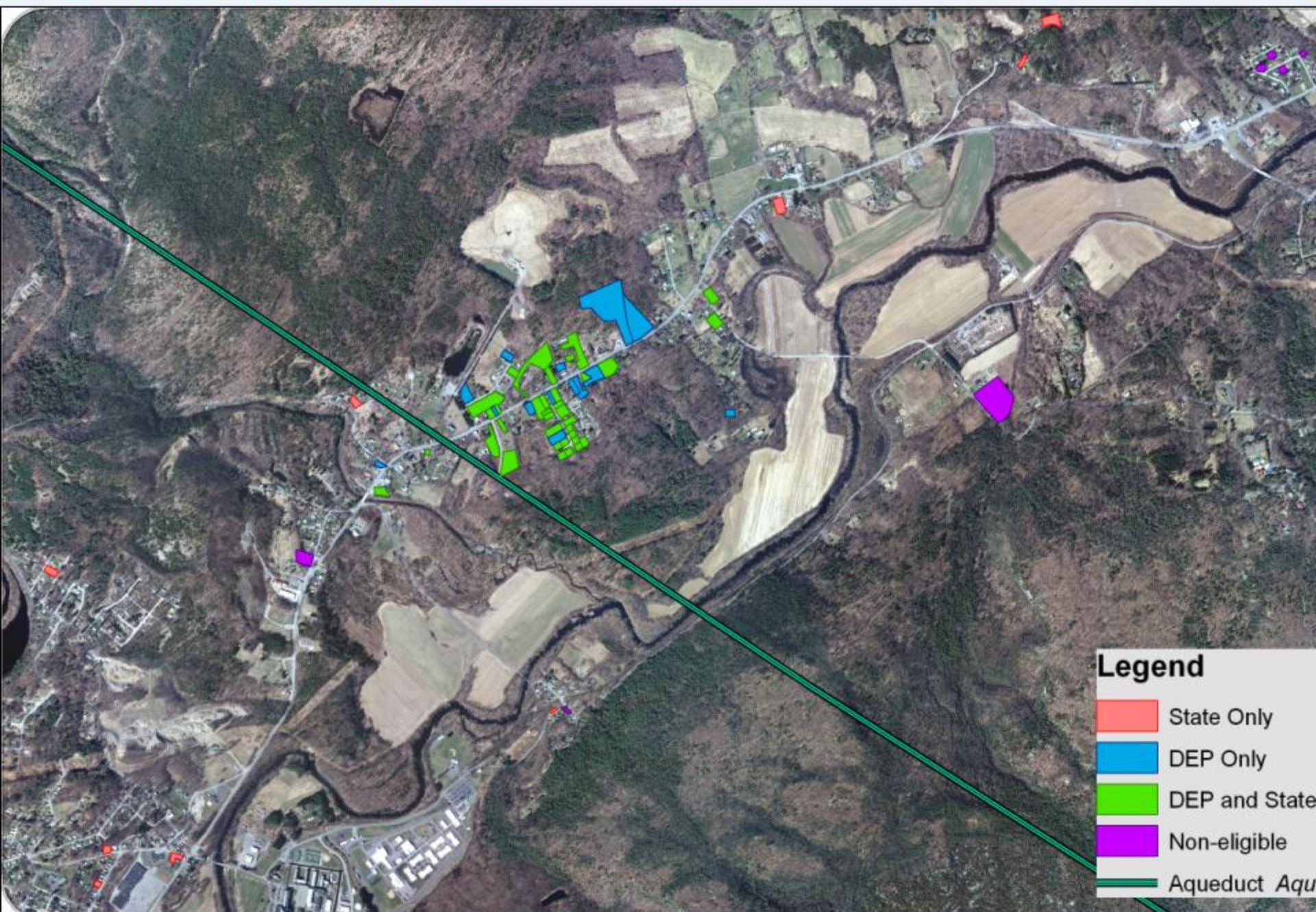
Informational meeting – April 11, 2012

New York State Program

- The home must be a single or two-family residence
- If the home is still habitable, the owner must reside in the house
- The home must be the owner's primary, legal residence
- The combined family income must not exceed 150% of the HUD threshold
1- \$76,545 2-\$ 87,480 3 - \$98,415 4 - \$109,350
- The owner must agree to satisfy all debt associated with the home at closing
- The value of the home must not be greater than \$250,000, preference will be given to homes valued at < \$150,000
- There must not be any title issues that cannot be resolved
- The home must be located within 2 miles of a NYC aqueduct

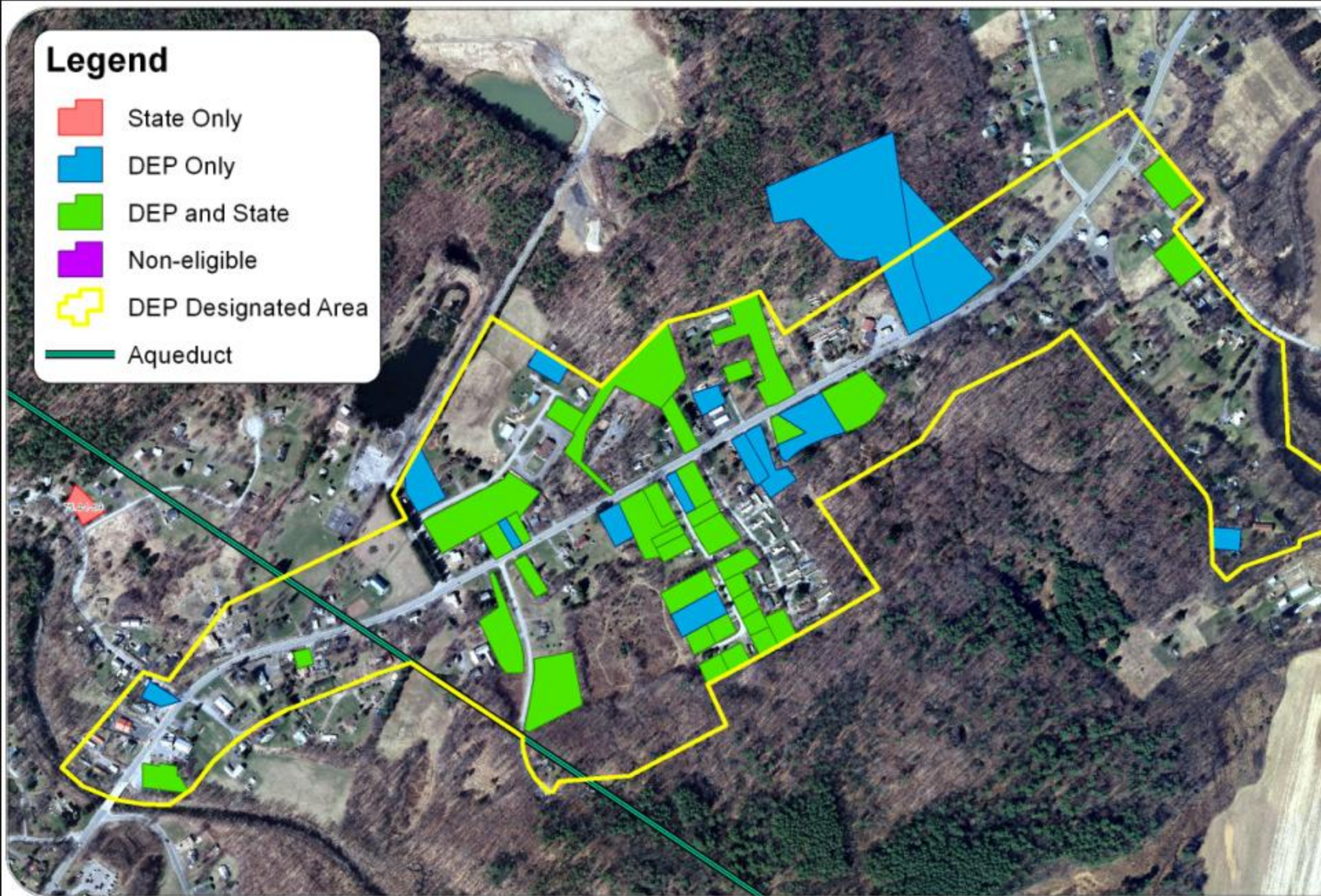
New York City Program

- Funding can only be used to purchase property in the “Designated Area”.
- Purchases are
 - Not subject to income limits
 - Not limited to one or two family units
 - Not limited by maximum property values of \$250,000
 - Not contingent upon property being the primary residence
- Participants must be willing to sign a waiver of claims against the DEP. The DEP will pay a 10% premium above the appraised value.



Legend

- State Only
- DEP Only
- DEP and State
- Non-eligible
- DEP Designated Area
- Aqueduct



FEMA Hazard Mitigation Program

- Competitive application submitted by Ulster County
- Prospective properties must have been damaged during Irene/Lee
- Appraisal of the home will be based on its 1/1/11 value
- Property must be “substantially damaged” (>50% of value)
- Will reimburse to 75% of eligible costs

Your application

- Provided basic information
- Environmental issues
- Other concerns
- Water damage history
- Was verified with you in my November visits
- Was certified by you

Environmental issues

- Is there a fuel tank on the property? Has it leaked?
- Is there a well on site? Drilled, shallow?
- Is there a septic system or cesspool on site? Material?
- Have petroleum products or other hazardous substances leaked on the property?
- Does the building contain asbestos?
- Do you have mold?

Other issues

- Are there easements
- Are there shared features (well, driveway, etc)

Water damage history

- Is the home in a designated floodplain?
- How many days out of the year is the home subject to seepage? (*Groundwater seepage is groundwater that is discharged to the surface or to a basement.*)
- How many times have you been forced to evacuate due to flooding or seepage?
- How many times since April 1, 2004 has your home flooded/incurred water damage on the first floor?
- How many building permits have been issued since April 1, 2004?

Certification

I / We (name of applicant) _____, do solemnly swear or affirm under penalty of perjury that I / we reside at _____ in the town/village/city of _____ in the State of _____; that I am / we are the Owner(s) of the property for which this application is being made; and the information I / we have provided in this application is true, complete, and correct to the best of my / our knowledge.

Ranking

Committee consisted of representatives from:

- Department of the Environment

- Emergency Management

- Planning Department

- Safety Office

Advisory capacity

- Health Department

- Emergency Management

Studies referenced

- FEMA flood maps
- Malcolm Pirnie study
- USGS study
- Well contamination reports from UC Health Department
- Private studies from certified water quality testing labs
- Town lists of pumps / filters / bottled water

Scoring methodology (part 1)

All applicants

Seepage Impact

Damage

First floor damage: 20

Structural damage: 0, 5 or 10

System damage (electrical, heating, etc): 10

Mold: 0, 5 or 10

Sub total maximum

50

Pumping

Single pump / limited: 10

Multiple pumps / extended: 20

Sub total maximum

20

Total

70

Scoring methodology (part 2)

NYC DEP eligible program criteria

Additional Considerations

Property is within the 100 year flood plain: 10

Surface flooding (Malcolm Pirnie study): 10

Well / septic contamination: 10

Sub total maximum 30

NYC DEP total 100

Examples

App	Overall	0-70 TL	NYS Elig	Reason	DEP Elig	Dep Rank
X	1	57.5	No	D>2	No	n/a
HH	2	56.25	Yes		Yes	1
GGG	3	55	Yes		No	n/a
PP	4	48.75	No	Inc	Yes	2
BBB	4	48.75	No	D>2	No	n/a
N	6	47.5	No	D>2	No	n/a
II	6	47.5	Yes		Yes	5
W	6	47.5	No	D>2	No	n/a
EEE	9	43.75	Yes		Yes	4
J	10	42.5	Yes		Yes	2

Scoring Methodology (part 3)

If the applicant is interested in additional NYC funding

Documented evidence of well impact from aqueduct: 15

USGS “area of concern”: 15

Town UV system and/or sump pump program: 15

Sub total maximum 45

Grand total maximum 145

Scoring Methodology (part 3)

continued

If a homeowner wishes to participate in the DEP program, he/she must sign a waiver of liability – there are two parts: the *General Release* and the *Stipulation of Discontinuance with Prejudice*. By signing these documents the homeowner will waive his/her right to sue NYC DEP, but signing the agreements will result in a 10% premium on top of the appraised value of the home. **This is a personal decision!**

Any homeowner who agrees to accept the points will move up the list, but if they subsequently do not follow through with the waivers, they will be dropped to their original place on the overall list.

How far will it go?

- New York State program has \$3.8 million
- New York City program has \$3.7 million

Moving through the list

- We will officially notify those applicants who are not eligible for either the State or City program
- In order to be fair and equitable to everyone, we will proceed through both the state eligible homeowners and the DEP eligible homeowners simultaneously
 - This is necessary to protect homeowners eligible for one, or the other, or both, programs
 - It meets our contractual obligations to both funding entities
 - Proceeding in this manner allows us to maximize the available funding
- The process will take time!

Next steps

- Indicate willingness to accept the *General Release* and the *Stipulation of Discontinuance with Prejudice*. The results of which will be the final factor in the ranking process.
- Title searches
- Appraisals
- Environmental Assessments
- Verification of reinvested insurance claims
- Contract for sale / closing
- Demolition
- Property remains vacant as open space, recreational use, flood mitigation, wetlands management

Appraisal process

- All appraisals will be done by a single firm
- **Values will be current fair market value based on the home being located in a “dry” area**
- **You must understand that the value of ALL real estate has plummeted in the last 5 years.**
- The appraisal company will be in contact with you to schedule a mutually convenient appointment
- We will be conducting appraisals as we move through the list; we will NOT be doing on appraisals on those homes we have no funding to purchase

Environmental Assessments

- Will be performed by a certified contractor
- A “Phase 1” Environmental Assessment will be conducted
- Homeowners will be asked to address serious environmental conditions. **Residents may be asked to bear the cost of environmental remediation (e.g. removal of oil tanks).** This allows us to stretch the available funding to purchase more homes, rather than spending a large sum to remediate conditions at a single residence.

Reimbursement of insurance payments

A requirement of the State program is to deduct from the offer price the value of all insurance / FEMA claims, UNLESS those funds have been reinvested in the home. In this case there are no deductions.

Closings

- The offer for State program properties cannot exceed the fair market value of the home; those accepting the City's 10% premium will need to agree to the waiver of liability
- Similar to any other real estate transaction
- You will be able to remove contents, you will not be allowed to remove fixtures
- You will need to retain an attorney

Questions

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